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SENSITIVE SIPDIS

DEPT FOR EAP, EAP/MTS, INR/EAP, AND EB/ESC/IEC DOE FOR CUTLER/PI-32 AND NAKANO/P-42 COMMERCE FOR USDOC 4430

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TAGS: ECON EPET EINV SENV ELAB ENRG PGOV ASEC ID SUBJECT: EAST JAVA MUDFLOW UPDATE: SUBSIDENCE CONTINUES TO HAMPER MITIGATION EFFORTS

REF: A. 08 SURABAYA 132: USGS VISIT

1B. SURABAYA 16: SUBSIDENCE AND FUNDING ISSUES STILL LIMIT OPTIONS

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11. (SBU) Summary: Subsidence north and west of the mudflow epicenter continues to hamper efforts by the Sidoarjo Muflow Mitigation Agency (BPLS) to pump mud into the Porong River. BPLS officials met with scientists from the National Geological Agency for a technical discussion but produced no new insights. BPLS is looking for help with subsurface imaging. Natural gas flares and large methane vents have reappeared in populated areas west of the containment area raising concerns about subsurface shifts. The concrete factory which had managed to maintain operations while surrounded by mud has finally succumbed to the inevitable. The new infrastructure corridor will not include the railroad line. End Summary.

Experts Meet

- 12. (SBU) On March 18, officials from BPLS and the National Geological Agency met in Sidoarjo to review the results of new gravity studies, geothermal investigations, ground penetrating radar subsurface images and interpretation, subsidence measurements from differential GPS, water and gas chemistry from the surrounding mud ponds, and preliminary hazard mapping. According to the USAID-funded mud mitigation advisor who attended the three hour meeting, the largely technical gathering of approximately 20 BPLS officials and 10 officials from the Geological Agency summarized work carried out since the mud erupted almost three years ago until February 2009. He concluded that much of the information was not much different from what was presented during the visit of USGS officials last November (Ref A), although the water and chemistry data was more up to date.
- 13. (SBU) BPLS representatives spoke briefly about their ideas for future research needed from the Geological Agency, including micro-seismic studies and related seismic tomography (subsurface imaging). In a follow-on conversation, Dr. Surono, Indonesia's Chief Volcanologist, told the USG mud advisor that all of the agency's seismographs were needed to monitor volcano activity throughout the archipelago. Surono suggested that perhaps USGS might be interested in providing addition seismographs to

address BPLS's needs.

Subsidence Creates New Problems

- 14. (SBU) PT Pasific Prestress Indonesia (PT PPI), a concrete factory which operated for almost three years surrounded by mud, succumbed after BPLS was unable to repair collapsed dikes near the mudflow's epicenter. The collapse also temporarily ruptured the main access road linking the primary Porong road to the epicenter. Although the walls have been repaired, BPLS cannot pump the hardened mud out of the factory. Mud continues to flow west and north, away from the pumps channeling mud into the Porong River. As a result, BPLS has not been able to take advantage of the rainy season to shift mud out to sea (Ref B).
- 15. (SBU) Subsurface shifts in recent days resulted in larger natural gas flares from wells just west of Porong and a rejuvenation of large methane gas vents that had lessened or quit in recent weeks. For the second time, crude oil has begun spraying at the mudflow's epicenter, although BPLS officials tell the media they are unable to calculate the exact flow rate. Large volumes of oil could raise the environmental impact of disposing of the mud via the Porong river. A local parliamentarian suggested that Lapindo, the company drilling the well that caused the mudflow, must share any revenues generated from oil generated by the mudflow with the government.

Infrastructure On Track

16. (SBU) The government has reportedly made progress on plans to develop a new infrastructure corridor to the west. According to media reports, the East Java government has decided to speed up land acquisition for the toll road's relocation by giving the compensation money to the court. Local officials complain that land owners are demanding compensation equal to that received by mudflow victims although the provincial government is only able to pay Rp 600,000 (USD 50) per square meter. The USG mud

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advisor notes that the new corridor will include the toll road and an arterial road, which can be opened relatively quickly, but not the railroad line. The railroad is renovating old track sections that connect to the west of Porong, rather than building new track along the new infrastructure corridor. The Chinese and Japanese Consuls General in Surabaya are pressuring the provincial government to act more swiftly to shift critical infrastructure linking Chinese and Japanese manufacturing companies to Surabaya's port.

MCCLELLAND